



*Office of the United States Attorney  
District of Arizona*

FOR IMMEDIATE RELEASE  
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## **BUSINESSMEN PLEAD GUILTY TO \$180,000 HEALTH CARE FRAUD SCHEME**

PHOENIX - The former owners and operators of a Phoenix business have admitted in federal court that they conspired to defraud health care benefit programs of approximately \$180,000. Roel Hernandez, 38, of Scottsdale, Ariz., and Jose Marroquin, 56, of southern Calif., each entered a guilty plea to one count of Conspiracy to Commit Health Care Fraud. Marroquin pleaded guilty today and is set to be sentenced on June 22, 2009. Hernandez admitted guilt on March 20, 2009 and is set to be sentenced on July 13, 2009.

Each admitted that from June 2003 until August 2004 they owned and operated a business called the Institute of Nuerodiagnostics (IND), which was engaged in the business of providing electrodiagnostic test interpretation for chiropractors who ordered the tests. IND exclusively contracted with Arizona Diagnostic Group (ADG). The electrodiagnostic testing purportedly assisted in diagnosing radiculopathy in patients who have suffered a traumatic injury to the nervous system. (Radiculopathy is defined as any diseased condition of roots of spinal nerves frequently causing radiating pain, numbness or tingling.)

Hernandez and Marroquin knew that only qualified physicians could interpret the electrodiagnostic test data provided to IND from ADG as is dictated by industry standards. Hernandez and Marroquin contracted with ADG to provide qualified physicians to interpret ADG's raw test data, generate an appropriate report and send that report back to ADG for distribution to the ordering chiropractor and for billing to the victim health care benefit programs.

Both defendants admitted that while a physician's name and/or signature was affixed to the medical reports as if he had interpreted the data, they knew that he had not. In lieu of the physician, whose name was on the report and who played no part in the scheme, it was actually Marroquin who interpreted the raw data and dictated the results. The defendants admitted that they knowingly misrepresented to the health care benefit programs that a licensed physician had reviewed the test data and had dictated the results. Between September 2003 and August 2004, Hernandez and Marroquin prepared and submitted over 2,000 fraudulent reports and were paid by ADG up to \$90 per report.

A conviction for Conspiracy to Commit Health Care Fraud carries a maximum sentence of five years in federal prison, a \$250,000 fine or both. The investigation preceding the indictment was conducted by the Federal Bureau of Investigation. The prosecution is being handled by Rachel C. Hernandez and Frank T. Galati, Assistant U.S. Attorneys, District of Arizona, Phoenix.

CASE NUMBER: CR-08-0899 PHX-FJM  
RELEASE NUMBER: 2009-115(Hernandez et al)

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